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Military Market

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Norfolk Area Scores Twice

Navy commissaries at Oceana, Va., and Yorktown, Va., capture top awards.

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Part II: Wrap-Up on AAFES' Capitol and Southeast Regions

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serving the military resale system

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Buoyed by success, Navy adds to its private label

Women's knit halter tops, men's knit shirts and 100 percent cotton towels soon will be the Navy exchanges' newest offensive players in NAVRESSO's private label lineup.

Officials expect that these items, along with men's dress shirts, men's slacks and women's twill pants, will be sold in exchanges by the spring of 1987.

The Navy first got into the private label business last year with the introduction of women's pull-on polyester pants. Since their introduction in September 1985, the Navy has sold more than 27,500 units, amounting to more than $331,000 in sales. Buoyed by their success, the Navy has added additional styles, sizes and colors of the pants under their Harbor View label.

And in May 1986, officials introduced house brand pantyhose, which they say offers a 30 percent savings over comparable national brands.

In the future, Navy exchanges may carry their own household cleaners, laundry products, ibuprofen tablets, contact lens preparations, and calcium and fiber food supplements.

According to the Navy resale's fall 1986 board of advisors report, "Sales of Navy exchanges private label items have been continuing their upward trend and it is expected that the fiscal year 1986 goal of $16.5 million will be achieved."

Navy Resale's Private Label Program: Harbor View

Item	Introduced	Units Sold	Sales	GrossProfit
Bendover Pants	September 1985	27,500	$331,000	$157,000
Pull-On Pants	March 1986	10,900	114,000	53,000
Camp Shirt	March 1986	11,200	116,000	48,000

Navy's new planograms hit a few delays

It probably will be sometime next year before all of the Navy's targeted exchanges are set up with the "new" headquarters-developed merchandise planogram.

Officials told MILITARY MARKET that they have pushed San Diego's reset back to sometime next year.

The Navy had been setting up prototype stores with the planograms to serve as models for other exchanges in each region.

San Diego was scheduled to be the last prototype store to adopt the updated planogram, but because of merchandising problems officials have had to push its implementation date back to sometime in 1987.

"We have somewhat of a problem in that our stock mix was so different that we had to put it on hold for awhile," said Joe Kempsey, retail operations manager at the San Diego Naval Station store. "We have such a large mix."

So far, nine prototypes have been set up, according to a Navy Resale and Services Support Office report. They are: NSB New London, Conn.; NTC Orlando, Fla.; NAS Alameda, Calif.; NS Seattle, Wash.; NAB Little Creek, Va.; NMC Bethesda, Md.; NTC Great Lakes, Ill.; NAS Pensacola, Fla., and NAS Memphis, Tenn.

The Navy's new planogram is supposed to make shopping easier, because it situates products on the shelves in logical order. For example, under the planogram design, shampoos would be located next to hair conditioners, which would be next to hair mousses.

Some sales representatives say they don't like the planogram because it's outdated, especially in the health and beauty aids department.

Martin F. Murphy, Noxell's military accounts manager, said that the outmoded planogram hurts business because it does not use the shelf space to its full potential.

"The limited space in exchanges makes it essential that every inch and every foot be used," he said.

FREE BEEF,
Continued from page 7.

determined that the law required that the meat be given free to service members.

The law also says the surplus meat can only be distributed in areas where DoD does not ship U.S. meats. Therefore stateside commissaries, those in Alaska and Hawaii, the Pacific, and Panama will not receive shipments of the free meat.

Late last year, Congress approved the transfer of some of the surplus meat to DoD as part of the 1985 farm bill signed by President Reagan. The bill gave the Agriculture secretary authority to purchase 200 million pounds of meat from U.S. farmers.

The government buys surplus products — everything from cheese and milk to meats and grains — at the market rate to keep prices up on the domestic market. DoD is allowed to draw from these surplus goods with the approval of Congress.

The only stipulation is that they can't be sold in competition with other U.S.-produced goods.

Military Market index

COMMISSARIES

		AUGUST			YEAR TO DATE		
		CY'86	CY'85	% CHANGE	CY'86	CY'85	% CHANGE
	CONUS	$160,575	$163,499	-1.79	$1,246,554	$1,246,021	0.04
	OVERSEAS	31,801	28,656	10.98	240,231	208,129	15.42
AIR FORCE	TOTAL	**192,376**	**192,155**	**0.12**	**1,486,785**	**1,454,150**	**2.24**
	CONUS	116,865	114,765	1.83	877,170	858,690	2.15
	OVERSEAS	36,855	32,865	12.14	283,290	250,110	13.27
ARMY	TOTAL	**153,720**	**147,630**	**4.13**	**1,160,460**	**1,108,800**	**4.66**
	CONUS	56,027	57,773	-3.02	491,716	494,817	-0.63
	OVERSEAS	6,504	6,326	2.81	56,653	54,995	3.01
NAVY	TOTAL	**62,531**	**64,099**	**-2.45**	**548,369**	**549,812**	**-0.26**
	CONUS	13,764	14,879	-7.49	111,939	112,981	-0.92
	OVERSEAS	252	203	24.14	2,113	1,963	7.64
MARINE CORPS	TOTAL	**14,016**	**15,082**	**-7.07**	**114,052**	**114,944**	**-0.78**
	CONUS	246	276	-10.87	2,070	2,103	-1.57
	OVERSEAS	306	282	8.51	2,306	2,325	-0.82
COAST GUARD	TOTAL	**552**	**558**	**-1.08**	**4,376**	**4,428**	**-1.17**
	CONUS	$347,477	$351,192	-1.06	$2,729,449	$2,714,612	0.55
ALL	OVERSEAS	$75,718	$68,332	10.81	$584,593	$517,522	12.96
COMMISSARIES	TOTAL	**$423,195**	**$419,524**	**0.88**	**$3,314,042**	**$3,232,134**	**2.53**
GROCERY STORES	U.S.[1]	$24.112	$23.207	3.90	$183.715	$175.451	4.71

EXCHANGES

		AUGUST			YEAR TO DATE		
		CY'86	CY'85	% CHANGE	CY'86	CY'85	% CHANGE
	CONUS	$246,321	$246,135	0.08	$1,899,730	$1,873,075	1.42
	OVERSEAS	170,291	154,121	10.49	1,328,667	1,215,191	9.34
AAFES	TOTAL	**416,612**	**400,256**	**4.09**	**3,228,397**	**3,088,266**	**4.54**
	CONUS[2]	98,463	92,007	7.02	685,846	688,451	-0.38
	OVERSEAS[2]	41,057	37,867	8.42	300,344	288,659	4.05
NAVY	TOTAL[2]	**139,520**	**129,874**	**7.43**	**986,190**	**977,110**	**0.93**
	CONUS	30,134	29,632	1.69	222,061	226,854	-2.11
	OVERSEAS	4,706	4,870	-3.37	38,562	38,936	-0.96
MARINE CORPS	TOTAL	**34,840**	**34,502**	**0.98**	**260,623**	**265,790**	**-1.94**
	CONUS[3]	7,000	7,094	-1.33	53,728	52,715	1.92
	OVERSEAS[3]	521	509	2.36	4,001	4,057	-1.38
COAST GUARD	TOTAL[3]	**7,521**	**7,603**	**-1.08**	**57,729**	**56,772**	**1.69**
	CONUS[4]	982	935	5.03	9,995	8,865	12.75
	OVERSEAS[4]	2,731	2,873	-4.94	25,165	24,701	1.88
MAIL ORDER	TOTAL[4]	**3,713**	**3,808**	**-2.49**	**35,160**	**33,566**	**4.75**
	CONUS	$382,900	$375,803	1.89	$2,871,360	$2,849,960	0.75
	OVERSEAS	$219,306	$200,240	9.52	$1,696,739	$1,571,544	7.97
ALL EXCHANGES	TOTAL	**$602,206**	**$576,043**	**4.54**	**$4,568,099**	**$4,421,504**	**3.32**
DEPARTMENT STORES	U.S.[1]	$11.786	$11.436	3.06	$82.616	$78.561	5.16

1) SOURCE: U.S. Department of Commerce. 2) Does not include sales of ship stores. 3) MM estimate, based on official data. 4) Includes consolidated sales for all services, including Coast Guard. NOTE: Individual figures may not add to totals because of rounding. All sales are expressed in millions (add 000), except grocery stores and department stores, which are in billions. Commissary sales include appropriate surcharges; exchange sales include concession volume.